

LAND ASSEMBLAGE REDEVELOPMENT  
AUTHORITY ("LARA")

REQUEST FOR  
PROPOSALS

FOR INDEPENDENT AUDIT  
SERVICES PROPOSAL #2013-AUDIT

# **RFP for Independent Audit Services**

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## **THE ORGANIZATION**

The Land Assemblage Redevelopment Authority ("LARA") is a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to the Texas Transportation Code and the Texas Local Government Code. It is governed by a 13-member Board of Directors appointed by the Mayor and the City Council of the City of Houston, the Houston Independent School District ("HISD") and Harris County, Texas ("the County"). LARA is organized for the purpose of redeveloping properties acquired by the named taxing jurisdictions after the foreclosure of liens imposed for failure of the owners of such properties to pay seriously-delinquent ad valorem taxes.

### **SECTION II.**

#### **THE BOARD OF DIRECTORS**

The LARA Board is made up of 13 members, five of whom are appointed by the Mayor of the City of Houston, two by City Council, and three each appointed by HISD and the County.

The present members of the Board are:

David Collins, Chairman  
Antoinette Jackson, 2<sup>nd</sup> Vice-Chair  
Curtis Lampley  
Jeremy Ratcliff, 2<sup>nd</sup> Vice-President  
Steve Hall, Secretary  
James Harrison, III  
John W. Bowie  
Stephan Fairfield  
Vincent Marquez  
LaTricia Williams  
Nicholas Hall  
Reshard Alexander  
Vacant Position

### **SECTION III.**

#### **STATEMENT REGARDING RFP FOR INDEPENDENT AUDIT SERVICES**

The LARA Finance Committee will evaluate the Proposals submitted and award a contract to the successful proposer at a special called meeting of the Committee, which will take place on May 31, 2013. All proposals will become part of LARA's files without obligation on LARA's part. LARA reserves the right to reject any and all proposals and to waive any or all formalities or technicalities or to accept the proposals deemed to be most advantageous to the Authority. The contract term will be for a period of one year and may be extended for an additional year at the option of LARA and its Board of Directors.

### **SECTION IV.**

#### **SCOPE OF SERVICES**

The examination of LARA's financial statements should be made in accordance with:

- A. Auditing standards generally accepted in the United States of America as included in Statements on Auditing Standards, published by the American Institute of Certified Public Accountants, and
- B. "Government Auditing Standards" issued by the Comptroller General of The United States

The successful Proposer must conduct an audit of the Statement of LARA's Net Assets, as of June 30, 2013, and the related statements of revenue and expenses and changes in net assets and cash flows for the year then ended. The audit will be performed in a manner that will permit the audit firm to express an opinion as to whether the financial statements present fairly, in all material aspects, the financial position of the Authority and the respective changes in financial position and cash flows, in conformity with U.S. generally-accepted accounting principles.

## **SECTION V.**

### **AUDIT COMPLETION DATE**

The audit must be completed by September 15, 2013. An Exit Conference will be held with the Chairman of the Board and members of the LARA Finance Committee.

## **SECTION VI.**

### **CRITERIA FOR EVALUATING PROPOSERS**

In connection with acquiring basic financial audit services from independent Certified Public Accountants, wherein such professionals will be required to render opinions on LARA's financial reports. The basic criteria employed in acquiring such services are as follows:

The audit firm is required to have:

- A. Previous experience (at least 5 years' experience in auditing public entities)
- B. A substantial knowledge of generally accepted accounting principles and policies as applicable to governmental entities.
- C. Readily available resources, in terms of personnel and technical materials, for performing governmental audit services, plus resources for providing consultation on accounting and other technical matters as needed. The audit firm will be required to make LARA aware of the most recent changes in governmental accounting principles and reporting policies.

In addition, evaluation criteria will include the following:

- 1. Qualifications of the proposer and the individuals assigned to the audit.
- 2. Audit approach and ability to satisfy reporting requirements.
- 3. Reasonableness of time and cost involved.
- 4. Proposer's Workplace Diversity policy and its plan to utilize Minority and Women-Owned businesses to perform portions of the work.

**LARA reserves the right to reject any proposal for any reason and to also request additional information from the proposers related to the above-listed evaluation criteria.**

## **SECTION VII.**

### **LARA'S FINANCIAL REPORTS**

Monthly compiled financial statements for LARA are prepared by McConnell & Jones LLP, an outside public accounting firm. A recent financial report of the Authority can be obtained from Chris Butler, LARA staff member at 713-865-4196.

## **SECTION VIII.**

### **LARA'S ROLE DURING AUDIT**

LARA'S outside public accounting firm, McConnell & Jones LLP, and LARA'S staff, will be available to provide assistance in locating documents and other information needed by the audit firm to complete its work.

## **SECTION IX.**

### **INFORMATION REQUESTED FROM THE PROPOSERS**

In order to simplify the review process and obtain the maximum degree of comparison, proposals should be organized according to the following outline:

- A. **Title Page**  
Show the RFP subject, the name of the proposer's firm, local address, telephone number, name of contact person, size of the firm, and date of submission.
- B. **Table of Contents**  
Include a clear identification of the material by section and by page number.
- C. **Letter of Transmittal**
  1. Briefly state the firm's understanding of the work to be done and make a positive commitment to perform the work within the specified time period.
  2. State the all-inclusive fee estimate for the work proposed to be performed.
  3. State the names of the persons who will be authorized to make representations for the firm, their titles, addresses, and telephone numbers.

4. State that the person signing the letter will be authorized to bind the firm.

**D. Profile of the Proposer**

1. State whether the firm is local, regional, national or international.
2. State the location of the office from which the work is to be done the number of partners, managers, supervisors, seniors, and other professional staff employed at that office.
3. Describe the range of activities performed by the local office, such as auditing, accounting, tax, or management services.
4. Describe the local office's capacity to audit computerized, including the number and classifications of personnel skilled in computer sciences who will work on audit.
5. Describe any reprimands or penalties the firm may have received from the Texas State Board Public Accountancy over the past five (5) years.
6. State the firm's experience in auditing governmental entities.
7. State the firm's professional affiliations and latest peer review.

**E. Summary of the Proposer's Qualifications**

1. Identify the supervisors who will work on the audit. Resumes, including relevant experience and continuing education for each supervisory person to be assigned to the audit, should be included. Resumes may be included as an appendix to the proposal.
2. Describe the most recent local and regional office auditing experience that is most similar to the type of audit being requested under this RFP.

**F. Proposer's Approach to the Examination**

1. Submit a work plan to accomplish the work defined in the Scope of Services of this RFP. The work plan should include time estimates for each significant segment of the work and the staff level to be assigned.
2. State degree of utilization of LARA Personnel, or of McConnell & Jones LLP, LARA's outside public accounting firm.

**G. Compensation**

State the total hours and hourly rate required by staff classification and the resulting all-inclusive fee estimate for the work proposed to be performed.

**H. Diversity Plan**

Describe the policies currently employed by proposer to achieve ethnic and gender diversity in the workplace and the extent to which it expects to subcontract portions of the work to Minority and Women-Owned businesses.

## **SECTION X.**

### **INSURANCE REQUIREMENTS**

Prior to the commencement of any work awarded under this RFP, the successful proposer shall furnish LARA with copies of original completed Certificates of Insurance and endorsements, as requested by LARA. At a minimum, the successful proposer shall provide evidence of the statutory amounts of Workers' Compensation coverage and no less than \$1,000,000 per occurrence of General Liability Insurance. All original Certificates shall be prepared by a properly-licensed Texas insurance agent and be signed by a person authorized by the insurer to bind coverage on its behalf. All such policies shall name, by endorsement, LARA, its officers, officials, agents, employees and volunteers as additional insured's by endorsement in respect to all operations and activities of, or on behalf of the named insured then performing work under contract with LARA, with the exception of the Workers' Compensation and Professional Liability policies. Each policy must contain an endorsement to the effect that the issuer waives any claim or right in the nature of subrogation to recover any amount of monetary damages from LARA, its officers, officials, agents, employees or volunteers.

## **SECTION IX.**

### **SUBMISSION OF PROPOSALS**

THREE (3) copies of each proposer's Response to this Request For Proposals must be received by LARA no later than 2:00 o'clock p.m. on Monday, May 20, 2013. Proposers must mark on the outside of the transmittal envelope "**SEALED RESPONSE TO RFP FOR INDEPENDENT AUDIT SERVICES, May 20, 2013, 2:00 o'clock p.m.**" and mail, or hand-deliver the Responses to:

City Secretary of the City of Houston  
City Hall Annex, Public Level  
900 Bagby Street  
Houston, Texas 77002  
Attention: Chris Butler

**LARA will not be responsible in the event the U.S. Postal Service, or any other courier system, fails to deliver any Responses to this RFP to the City Secretary's office by the given deadline set out above.**

LARA also reserves the right to reject, for any reason, any and all Responses received pursuant to this RFP to this RFP, to waive any irregularities contained therein, and to accept any Response deemed to be most advantageous to the Authority.

**SECTION XII.**

**PROPOSED TIME SCHEDULE**

<b>DATE</b>	<b>TASK</b>
May 3, 2013	Advertise Request For Proposals
May 20, 2013	Deadline for Responses to be received
May 31, 2013	Contract to be awarded
July 1, 2013	Commence audit field work
September 15, 2013	Completed Audit due
To Be Determined	Audit Report to be presented to the LARA Board of Directors

## **CERTIFICATION REGARDING NO OFFER OF PECUNIARY BENEFIT**

The undersigned proposer, by signing and executing this proposal, certifies and represents to the Land Assemblage Redevelopment Authority that it has not offered, conferred or agreed to confer any pecuniary benefit, as defined in the Texas Penal Code, or any other thing of value as consideration for the receipt of information or any special treatment or advantage relating to this proposal. The proposer also certifies and represents that it has not offered, conferred or agreed to confer any pecuniary benefit or other thing of value as consideration for the recipient's decision, opinion, recommendation, vote or other exercise of discretion concerning this proposal. The proposer certifies and represents that it has neither coerced nor attempted to influence the exercise of discretion by any officer, trustee, agent or employee of LARA concerning this proposal on the basis of any consideration not authorized by law. The proposer also certifies and represents that it has not received any information not available to other proposers so as to give the undersigned a preferential advantage with respect to this proposal. The proposer further certifies and represents that it has not violated any state, federal, or local law, regulation or ordinance relating to bribery, improper influence, collusion or the like and that it will not in the future offer, confer, or agree to confer any pecuniary benefit or other thing of value of any officer, trustee, agent or employee of LARA in return for the person having exercised his or her official discretion, power or duty with respect to this proposal. The proposer certifies and represents that it has not now and will not in the future offer, confer, or agree to confer a pecuniary benefit or other thing of value to any officer, trustee, agent, or employee of LARA in connection with information regarding this proposal, the submission of this proposal, the award of this proposal, or the performance of any work awarded pursuant to this proposal.

The proposer shall defend, indemnify, and hold harmless the Land Assemblage Redevelopment Authority, all of its officers, agents and employees from and against all claims, actions, suits, demands, proceedings, costs, damages, and liabilities, arising out of, connected with, or resulting from, any acts or omissions of contractor or any agent, employee, subcontractor, or supplier of contractor in the execution or performance of the work awarded under this RFP.

I have read all of the specifications and general proposal requirements and do hereby certify that all items submitted meet specifications.

COMPANY: \_\_\_\_\_

AGENT'S NAME: \_\_\_\_\_

AGENT'S SIGNATURE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_ TELE. FAX: \_\_\_\_\_

FEDERAL ID#: \_\_\_\_\_ AND/OR SOCIAL SECURITY #: \_\_\_\_\_

**Exhibit "A"**

**CERTIFICATION REGARDING DEBARMENT,  
SUSPENSION, AND OTHER MATTERS**

Name of Entity: \_\_\_\_\_

The proposer certifies, to the best of its knowledge and belief that it and its principals:

- a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal state or local governmental entity.
- b) Have not within a five-year period preceding this proposal been convicted of a criminal offense, or had a civil judgment rendered against them, for commission of fraud in connection with obtaining, attempting to obtain, or performing work under a public contract; or violation of any Federal or State antitrust statute, or commission of embezzlement, theft forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- c) Are not presently indicted for, or otherwise criminally or civilly charged by a government entity, with the commission of any of the offenses enumerated in paragraph (b) of this certification; and
- d) Have not, within a five-year period preceding the date of submission of this proposal had one or more public contracts terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of an award granted under this proposal. In addition, I understand that a false statement may result in criminal penalties, including fines and imprisonment or both.

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\_\_\_\_\_  
Name and Title of Authorized Representative (Typed)

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

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I am unable to certify to the above statements. My explanation is attached.

**ACKNOWLEDGEMENT OF RECEIPT OF RFP**

**Please acknowledge receipt of this RFP by returning this form, as follows:**

FAX TO: 713-865-9398

OR

MAIL TO: LAND ASSEMBLAGE REDEVELOPMENT CORPORATION P.O. 1562  
HOUSTON, TEXAS 77251-1562

\_\_\_\_\_ WILL RESPOND

\_\_\_\_\_ WILL NOT RESPOND

COMMENTS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

COMPANY NAME: \_\_\_\_\_

COMPANY FAX: \_\_\_\_\_

COMPANY PHONE: \_\_\_\_\_

\_\_\_\_\_  
AUTHORIZED SIGNATURE

**Exhibit "C"**